

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7079

Interconnection Agreement between Verizon New)
England Inc., d/b/a Verizon Vermont, and Ernest)
Communications, Inc.)

Order entered: 9/30/2005

ORDER APPROVING INTERCONNECTION AGREEMENT

I. BACKGROUND

On June 21, 2005, Ernest Communications, Inc. ("ECI") and Verizon New England Inc., d/b/a Verizon Vermont ("Verizon"), requested that, pursuant to Section 252(e) of the Telecommunications Act of 1996 (the "Act"), the Public Service Board ("Board") approve an Interconnection Agreement ("Agreement") between them dated April 27, 2005, together with Amendment No. 1 to that Agreement.

On July 14, 2005, the Board solicited a recommendation from the Vermont Department of Public Service ("Department"). The Department, by letter dated August 4, 2005, recommended that the Board approve the Agreement in whole, finding that the Interconnection Agreement did not violate Section 252 of the federal Telecommunications Act of 1996 and that the Agreement did not contain terms that will harm Vermont consumers or competitors.

II. DISCUSSION

The Board's review of the Interconnection Agreement is governed by the federal law that authorizes such agreements. Under Subsection 252(a) of the Act, any interconnection agreement negotiated under Section 252(a) must be submitted to the State commission for review under Section 252(e).¹ The State commission has the authority to "approve or reject the agreement, with written findings as to any deficiencies." The Board may not reject the proposed Interconnection Agreement in whole or in part unless it finds that the agreement or any material

¹Under the Act, the Board is the "State Commission" in Vermont. 47 U.S.C.A. § 3(41).

portion thereof discriminates against a non-party carrier or is inconsistent with the public interest. The Board may also establish and enforce other requirements of State law in its review of the agreement under Section 252(e)(3). The Board must act to approve or reject the agreement within ninety (90) days of its submission, or the agreement is deemed approved.² The 90-day review period mandated by that section ended on September 19, 2005. Therefore, the Board's approval serves to confirm and clarify the obligations of the parties under the Agreement.

The Interconnection Agreement negotiated by Verizon and ECI sets out the terms and conditions under which Verizon will make certain services available to ECI. In particular, the Agreement specifies the terms and conditions for resale of Verizon's services, purchasing of unbundled network elements, types of interconnection and collocation agreed to, and compensation arrangements that will apply.³ The initial term of the Agreement ends April 26, 2007, although the Agreement then continues in effect unless terminated by either party.⁴

Amendment No. 1 to the Agreement addresses conditions and definitions that reflect changes in recent FCC Orders.

The Interconnection Agreement is the result of arms-length negotiations between two telecommunications carriers. The Board's focus, as the Act provides, is therefore limited to the issues set forth in Section 252(e)(2)(A): whether the Agreement (or portions thereof) discriminates against a telecommunications carrier not a party to the Agreement, and whether the Agreement is consistent with the public interest, convenience, and necessity. As the Board concluded previously, in making its determination, the Board must focus upon the potential effect of the Agreement on the evolution of competition in this state and whether the Agreement raises the risk of harm to consumers (and thus is not consistent with the public interest).⁵

The competition enabled by this and other interconnection agreements will likely benefit Vermont consumers and is consistent with the State's telecommunications goals as set out in

²47 U.S.C. § 252(e)(4).

³Agreement at 27-123 and Appendix A to the Pricing Attachment.

⁴Agreement at 2.

⁵Docket 5905, Order of 11/4/96 at 12.

30 V.S.A. § 202c and the Telecommunications Plan adopted under Section 202d. At the same time, the Agreement does not contain terms that will harm consumers or competitors. It thus promotes the public interest.

The Agreement also does not discriminate against telecommunications carriers who are not a party to it. Pursuant to 47 U.S.C. § 252(i), other companies seeking to interconnect may adopt the same terms and conditions.

Finally, our approval of the Interconnection Agreement applies only to those terms and conditions set out therein. To the extent parties negotiate modifications or clarifications to the Agreement, they are not subsumed in our approval of the current Agreement. To the extent the changes are material, the parties will need to seek additional approvals from the Board.

III. ORDER

IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Public Service Board of the State of Vermont that:

1. Pursuant to Section 252(e)(1) of the Telecommunications Act of 1996, the Interconnection Agreement between Verizon New England Inc., d/b/a Verizon Vermont, and Ernest Communications, Inc., and Amendment No. 1 to that Agreement, are hereby approved.
2. Verizon and ECI shall be bound to comply with any lawful requirement imposed by the Board in Docket 5713, Docket 5903, any docket or rule established with respect to E-911 service, and any other docket or rulemaking proceeding governing the obligations of telecommunications carriers in Vermont.
3. Verizon and ECI shall notify the Board and Department of any modifications to the Interconnection Agreement or the establishment of any terms and conditions that the Interconnection Agreement as filed leaves to further negotiations. If necessary, Verizon and ECI shall seek Board approval for the new or changed terms and conditions.

Dated at Montpelier, Vermont, this 30th day of September, 2005.

<u>s/James Volz</u>)	PUBLIC SERVICE
)	
)	BOARD
<u>s/David C. Coen</u>)	
)	OF VERMONT
)	
<u>s/John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: September 30, 2005

ATTEST: s/Judith C. Whitney
Acting Clerk of the Board

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: Clerk@psb.state.vt.us)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.